

Hazardous Materials Emergency Preparedness Grant Program

Expenditures Guide



PHMSA Hazmat Grants Program

HMEP.Grants@dot.gov

www.phmsa.dot.gov/hazmat/grants

(202) 366-1109

Developed in collaboration with the HMEP Working Group:

- California Emergency Management Agency
- Georgia Emergency Management Agency
- Nevada State Emergency Response Commission
- Nebraska Emergency Management Agency
- North Carolina Emergency Management Agency
- Oregon State Fire Marshal's Office



U.S. Department of Transportation

**Pipeline and Hazardous Materials
Safety Administration**

Pipeline and Hazardous Materials Safety Administration

Contents

1. Introduction.....	3
2. General Expenditures.....	4
3. Planning	5
3.1 Allowable Planning Expenditures.....	5
3.1 Allowable Planning Expenditures, concluded	6
3.2 Conditionally Allowable Planning Expenditures.....	6
3.3 Unallowable Planning Expenditures	7
3.3 Unallowable Planning Expenditures, concluded.....	7
4. Training.....	8
4.1 Allowable Training Expenditures	8
4.1 Allowable Training Expenditures, continued	9
4.1 Allowable Training Expenditures, continued	10
4.1 Allowable Training Expenditures, concluded.....	11
4.2 Conditionally Allowable Training Expenditures	11
4.3 Unallowable Training Expenditures	12
5. Grant Specifics.....	13
6. Object Class Categories	14
Personnel Costs.....	14
Fringe Benefits.....	14
Travel	15
Equipment	15
Supplies.....	15
Contractual.....	16
Other	17
HMEP Working Group Participants:	18

1. Introduction

The purpose of Hazardous Materials Emergency Preparedness (HMEP) grants is outlined in 49 CFR §110.1 and is meant for public sector planning and training in support of the emergency planning and training efforts of States, Indian tribes, and local communities to deal with hazardous materials emergencies, particularly those involving transportation. These grants will enhance the implementation of §301 and §303 of the Emergency Planning and Community Right-to-Know Act of 1986.

Through your participation in the HMEP grant program, PHMSA's intent is to improve the availability and effectiveness of hazmat response and planning, and reduce the risks associated with the bulk transport of crude oil, and other hazardous materials, throughout the United States.

To advance PHMSA's mission, HMEP grants are used to:

- Develop, improve, and implement emergency plans
- Train public sector hazardous materials (hazmat) emergency response employees to respond to accidents and incidents involving hazardous materials in transportation
- Determine flow patterns of hazardous materials within a state and between states
- Determine the need within a state for regional hazardous materials emergency response teams
- Other purposes deemed appropriate by the Secretary of the US Department of Transportation

The information contained in this document is for guidance. Grantees must obtain prior approval from PHMSA to receive funding. Examples of allowable activities provided in this document are not all-inclusive, and the absence of a specific activity does not preclude its possible approval. Conversely, all proposed activities will be considered based on the proposed budget costs allocable to the approved project in accordance with OMB Circular A-87 and included in the grant award. This guidance supersedes all previous versions.

The purpose of this HMEP Expenditures Guide is to help grantees effectively administer their programs by providing:

- Examples of allowable, conditionally allowable, and unallowable activities, for reference only
- Information pertaining to the seven object class categories found in OMB Standard Form 424A as they specifically relate to HMEP grants activities
-

General Guidelines:

- Allowable expenditures are those that are: reasonable, necessary, and allocable to the approved project according to 2 Code of Federal Regulations (CFR) 225 and 49 CFR Part 18, and included in the Notice of Grant Award (NGA). (Pre award costs are not permissible under the unallowable expenditures section.)

The following items require prior approval and the submission of the Hazmat Grant Activity Request Form to PHMSA which is one of the options of the HMEP Grants Portal at

Pipeline and Hazardous Materials Safety Administration

<https://hazmatgrants.phmsa.dot.gov>:

- New activities.
- Change requests to activities or budgets with details regarding proposed activities cost analysis, justification, and budget updates.
- Requests for reimbursement must be submitted via the Delphi eInvoicing System with the OMB SF-270, Request for Advance or Reimbursement, and supporting documentation.- For new users, please coordinate with your assigned Grant Specialist for access.

Questions and other inquiries should be directed to your assigned Grant Specialist or via e-mail at:
HMEP.Grants@dot.gov.

2. General Expenditures

Examples of allowable general expenditures that do not fall under planning or training grant expenditures are listed below.

Allowable General Expenditures
Grants Management Courses
Continuing Education Specific to Grants Management Functions

3. Planning

3.1 Allowable Planning Expenditures

Examples of allowable planning expenditures are listed below.

Enhancing HazMat Plans
Developing, improving, and implementing emergency plans required under the Emergency Planning and Community Right-to-Know Act of 1986
Workshops, drills, and exercises associated with hazmat emergency plans
Risk assessments to enhance plans
Capability assessments that evaluate the ability for first responders, NGOs, and other involved stakeholders to respond to a hazmat emergency
Gap analysis to enhance planning objectives
Improving interagency interoperability to better respond to and mitigate hazmat incidents
Determining commodity flow transportation patterns of hazmat and developing and maintaining a system to keep such information current
Assessing the need for regional hazmat emergency response teams
Providing technical staff to support planning efforts
Aerial photography for use with Commodity Flow Study research
Planning Courses
Courses aimed at developing, improving, and implementing emergency plans under the Emergency Planning and Community Right-to-Know Act (EPCRA) sections 301 and 303 (42 USC 116)
Hazmat transportation emergency preparedness and response courses
Hazmat risk analysis
Commodity Flow Study courses
Regional Response Strategy Selection courses
Equipment and Supplies¹.
Computer equipment dedicated to HMEP Grant activities (use for operations purposes not allowable)
Supplies and equipment required for HMEP-funded exercises and activities

¹ The federal definition of equipment is defined as tangible, non-expendable personal property with a unit acquisition cost of \$5,000 or more and with a useful life of more than one year. When calculating the cost of the property, it includes any accessories needed to make it operational. Any items not meeting this definition should be shown as “supplies,” e.g., computers must be shown as “supplies,” based on their acquisition cost.

3.1 Allowable Planning Expenditures, concluded

Conferences and Meetings
National Association of SARA Title III Program Officials (NASTTPO)
Statewide conference emphasizing Hazmat emergency response capabilities, collaboration, networking, and planning opportunities for responders, particularly those related to transportation
Regional hazmat conferences and workshops, specifically those related to transportation
Hazmat Continuing Challenge, (www.hazmat.org) The Continuing Challenge provides safe response training for all emergency responders to hazardous materials incidents affecting transportation, public health and the environment. This annual Workshop is attended by HazMat responders from across the globe and is held every September in Sacramento, CA.
Hot Zone, www.hotzone.org The HOTZONE Committee is composed of representatives from the local, state, and federal levels of the HAZMAT response community serving Federal Region 6. This annual training conference provides HAZMAT technical training and promotes professional relationships within Region 6 to meet the unique needs of this region.
TRANSCAER®, www.transcaer.com TRANSCAER® (Transportation Community Awareness and Emergency Response) is a voluntary national outreach effort focusing on assisting communities with preparing for, and responding to, possible hazmat transportation-related incidents. TRANSCAER® educates emergency responders and their communities and includes safety training cars from the Firefighters Education and Training Foundation.
International Association of Fire Chiefs (IAFC), International Hazmat Conference, www.iafc.org The IAFC hosts the International Hazardous Materials Response Team Conference, which presents “what’s new in hazmat” and how it impacts today’s hazmat teams on the job.
Midwestern Hazmat Conference, http://www.emerysafety.com/mhmrc/index.html Two-day conference on hazmat and related response training presented by instructors in the hazmat response community.
Fire Department Instructors Conference (FDIC), http://www.fdiconlineevent.com Comprehensive training for all levels of fire service practitioners with more than 24 hands-on training evolutions, 34 pre-conference workshops, and more than 160 classroom presentations.
FRI (Fire Rescue International), http://fri.iafc.org/ Presented by the IAFC, Fire Rescue International (FRI) annually brings together more than 13,000 fire and emergency service leaders from across North America and around the globe for 5 days of networking, learning, and collaboration.
Other
Hazmat publications for permanent collections, such as the NFPA 472 guide

3.2 Conditionally Allowable Planning Expenditures

Examples of conditionally allowable planning expenditures are listed below.

LEPC meeting expenses – Conditions include: LEPC meeting expenses are allowable when pertaining to HMEP
Hospital Drills – Conditions include: Decontamination from a transportation incident (radiological, chemical, or other hazmat)

Pipeline and Hazardous Materials Safety Administration

Emergency Operating Center (EOC) Leadership Exercises – Conditions include: Leadership exercises for events concerning hazmat preparedness and response
Title III Software (e.g., CAMEO/PEAK/PLUME) – Use of software must be tied to planning for hazmat transportation related accidents/incidents.
Fixed-facility hazmat preparedness – Conditions include: Exercises and plans that include transportation of materials to and from fixed-facilities; exercises that test the same capabilities that would be used to respond to a hazmat transportation incident
Food or refreshments – Conditions include: Working lunches for exercises or planning sessions that extend hours before and after lunchtime, or that are in remote locations where food establishments are not in close proximity.
Exhibitors for Outreach and Preparedness Booths - Activity must tie-in to hazardous materials transportation.

3.3 Unallowable Planning Expenditures

Examples of unallowable planning expenditures are listed below.

Natural Disaster Exercises (e.g., Urban Avalanches, Pandemic Flu, Cruise Ship, Wildfire, Earthquake)
All-Hazards Warning System Drills
Joint Terrorism Task Force (JTTF) Exercises
Tier II Chemical Inventory Reports
Tier II Databases
WebEOC (EOC-Emergency Operations Center) mapping
Public Officials Conference that does not have a tie-in to hazardous materials transportation
Town-wide alert system
Development and distribution of a Hazmat Calendar

3.3 Unallowable Planning Expenditures, concluded

Expenses counted as match funds toward another Federal grant program or cooperative agreement
Entertainment costs
Foreign travel
Expenses counted as match funds toward another Federal grant program or cooperative agreement
Purchase of cell telephone(s), except for administration of the HMEP grant at the state level
Any costs disallowable or stated as ineligible in 49 Code of Federal Regulations (CFR) Part 110 Final Rule

4. Training

4.1 Allowable Training Expenditures

Examples of allowable training expenditures are listed below.

General Training Expenditures
Reimbursement for instructor(s) and trainees for tuition and travel expenses (lodging and per diem) to and from a training facility
Facility rental cost reimbursement
Expenses associated with training, such as staff to support the training effort, evaluation forms, etc.

National Fire Protection Association (NFPA) 472 or Occupational Safety And Health Administration (OSHA) 29 CFR 1910.120 Competency Requirement Suggested Courses
Hazmat Incident Command System (ICS), includes the following courses: <ul style="list-style-type: none"> - ICS-100: Introduction to the Incident Command System - ICS-200: Incident Command System for Single Resources and Initial Action Incidents - ICS-300: Intermediate Incident Command System - ICS-400: Advanced Incident Command System
Hazmat Awareness, Operations, Technician, Specialist, and Refresher Courses
Hazmat Incident Commander
Hazmat Officer/Safety Officer
Industrial Fire Fighting- (rail yards, fuel transfer facilities, and ports)
Confined Space Rescue
Hazmat Basic Life Support/Advance Life Support
Chemistry for Emergency Responders
Marine Operations - Ship-board rescue, firefighting, and hazmat
Airport Rescue Fire Fighting (aircraft response and rescue)
Explosive Ordinance Disposal/Explosives in transportation
Radiological (sources in transportation, but not Weapons of Mass Destruction.)
Tank Car Specialty

4.1 Allowable Training Expenditures, continued

National Fire Protection Association (NFPA) 472 or Occupational Safety And Health Administration (OSHA) 29 CFR 1910.120 Competency Requirement Suggested Courses, concluded
Intermodal Tank Specialty
Marine Tank Vessel Specialty
Flammable Liquid Bulk Storage
Flammable Gas Bulk Storage
Radioactive Material Specialty in Transportation
First Receiver Awareness Training
Explosive Ordinance Disposal/Explosives in transportation
Crude Oil Training
Cargo Tank Specialty
Other Allowable Training Course Examples
Ammonia, Ethanol, Chlorine Response
Alternative Fuels, used in transportation
Developing a Plan of Action
Chemistry of Hazmat-Part I/II
Surveying a Hazmat Incident
General Competencies
Level A/Level B Personal Protective
ID of Methods and Procedures
Hazmat for Emergency Management System (EMS)
Hazmat for Dispatcher
Hazmat Containers
Hazardous Materials Monitoring Refresher
Hazmat Level B Dress-out and Decon
Hazmat Technical Decon Refresher
Hazmat Containment and Control
Haz-Cat Training

4.1 Allowable Training Expenditures, continued

Other Allowable Training Course Examples, concluded
Pipeline Training
Haz Mat IQ Training (Above and Below the line, Advanced IQ & Tox Medic)
Emergency Medical Technician (EMT) Training for hazmat
Employee Hazmat Emergency Response Readiness Training
Creating and maintaining hazmat emergency response training websites
CAMEO Training, particularly that related to transportation
TRANSCAER® (travel and necessities* for physical needs and comfort of trainers and training recipients)
* Necessities, by ownership or rental, for the physical needs and comfort of the participants and training recipients such as, but not limited to: classroom tents, tables, chairs, water coolers, portable toilets, wash stations, public address systems, generators, fuel for generators, waste management, and outdoor fans; projectors and screens, video recording services; safety gloves, safety glasses; pens, pencils, books, brochures, certificates; administrative services, advertising costs, trainer fees; and instructor accommodations, travel, and meals.

Allowable Training Equipment, Supplies and Materials
Computer equipment used exclusively for activities allowable under this HMEP Grant (e.g., approved computer-based training activities).
Rental equipment necessary to provide specific training, whether consumed in the training (e.g., this isn't equipment) or otherwise (e.g., a training suit). In most cases, equipment costs are expected not to exceed 5 percent of the total cost of the grant awarded and must be fully justified.
Publications, manuals, and other materials necessary to provide training and are used by instructor(s) and trainees--where appropriate, this may include the printing and copying of such materials and any cost of distributing these materials (such as mailing the materials to trainees in advance of the first training session).
Simulation software for training courses
Hazmat training suits for specific transportation related exercises
Firefighting foam for specific transportation related exercise

4.1 Allowable Training Expenditures, concluded

Conferences
NASTTPO (National Association of SARA Title III Program Officials)
Statewide conference emphasizing Hazmat emergency response capabilities, collaboration, networking, and planning opportunities for responders.
Regional hazmat conferences and workshops
Hazmat Continuing Challenge
HOTZONE or COLDZONE
IAFC International Hazmat Conference
Midwestern Hazmat Conference
Fire Department Instructor's Conference

4.2 Conditionally Allowable Training Expenditures

Examples of conditionally allowable training expenditures are listed below.

Emergency Operating Center (EOC) Leadership Training – Conditions include: Training must focus on EOC leadership concerning hazmat preparedness and response
Title III Software to assist with transportation related planning exercises
Fixed-facility hazmat training – Conditions include: Training that includes transportation of materials to and from fixed-facilities; training that addresses the same capabilities that would be used to respond to a hazmat transportation incident
Food or refreshments – Conditions include: Working lunches for training that extends hours before and after lunch or that are in extremely rural locations where food establishments are not in close proximity.

4.3 Unallowable Training Expenditures

Examples of unallowable training expenditures are listed below.

Courses not related to hazmat emergency response
Emergency Preparedness Presentation to Child Care Providers
School Violence Prevention
Weapons of Mass Destruction (WMD) Terrorism courses
Weapons of Mass Destruction (WMD) Radiological Training
Pandemic Flu Exercises
Joint Terrorism Task Force (JTTF) Exercises
Equipment for the purpose of response operations, such as: <ul style="list-style-type: none"> - Self-Contained Breathing Apparatus (SCBA) - PPE (Personal Protective Equipment) - Monitoring Equipment
Overtime of trainees and any other employees who “backfill” positions of trainees during the period of training.
Expenses counted as match funds toward another Federal grant program or cooperative agreement.
Entertainment costs
Purchase of cell telephone(s), except for administration of the HMEP grant at the state level.
Any costs disallowable or stated as ineligible in 49 Code of Federal Regulations (CFR) Part 110 Final Rule.

5. Grant Specifics

Requests for Reimbursement

Requests for reimbursement must include supporting documentation and a SF-270 that can be accessed online via the Delphi eInvoicing System or uploaded if the online SF-270 is not operational. PHMSA may request additional substantiation for supporting reimbursement payments. The grantee should submit requests using the object class categories to ensure your requests are consistent with the budget submitted from the approved application or Activity Request. Reimbursement may not be made for a project plan unless approved by PHMSA either in the application or an Activity Request.

Matching Funds

Grantees are required to provide the 20% match and may use the following²:

- Cash (hard-match),
- In-kind contributions Soft match
- A combination of in-kind or soft match plus hard-match to meet this requirement.

Grantees may use matching funds from all seven object classes. Examples include: salary; equipment or supply purchase; space usage; the value of a participant's time during an allowable activity; or the dollar value of a grant-related activity or purchase.

Grantees must continually examine funding priorities to ensure that activities and/or expenditures counted as matching towards the planning grant are used for allowable planning-related activities. Conversely, activities and/or expenditures counted as matching towards the training grant should be used for allowable training-related activities.

Percent of Funds for Planning and Training

At least 75% of funds provided for planning must be made available to LEPCs for developing, improving, and implementing emergency plans. At least 75% funds allocated for training must be made available for the purposes of training public sector employees employed or used by political subdivisions.

A grantee must expend and account for grant funds in accordance with their State laws and procedures for expending and accounting for its own funds while ensuring that the administration and coordination of this grant program does not exceed the remaining 25% of the funds after 75% allocation is made available to LEPCs and public sector employees.

² The requirement to provide a 20% match for the Planning and Training (direct and indirect) costs of all activities covered under the grant award program with non-Federal funds is waived for "Insular Areas" which include the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Government of the Northern Mariana Islands in order to minimize the burden caused by the existing application and reporting procedures.

Audits

Recipient agencies are responsible for obtaining audits in accordance with the Single Audit Act of 1984 (31 U.S.C. 7501), 49 CFR part 90, and OMB Circular A-128. Audits must be made by an independent auditor in accordance with generally accepted government auditing standards covering financial and compliance audits. PHMSA may audit a recipient agency at any time.

6. Object Class Categories

Personnel Costs

- Personnel costs include:
- Salaries for individuals employed by the Grantee who are responsible for HMEP Grant administration, or hazmat planning or training. Personnel salaries should be directly related to and funded by the HMEP grant, in whole or in part, or part of the matching requirement.
- Grantees must appropriately allocate funds based on the percentage of personnel dedicated to the HMEP grant program. For example, if the Program Manager spends 15% of their time on the HMEP grant and the rest of their time on other grant programs, the percentage allocation is 15%. The following should be considered when requesting reimbursement for salaries:
 - That time commitments (HMEP grant program) are shown in hours or percentage of time for each person/position in the budget narrative;
 - That time commitments and charges are reasonable;
 - That combined charges for each individual do not exceed 100 percent of each person's time; and
 - That support or executive personnel charges are NOT included.
- Conference and training.

Fringe Benefits

Fringe Benefits such as vacation, holiday, and sick leave may be included as a part of direct labor or be in the indirect cost pool consistent with established policy. If included as a direct cost, grantees should identify the percentage used (fringe benefit rate) and the basis for its computation; then, apply this to the salary allocations specified under personnel. Grantees should not include any amount for fringe benefits if the benefits are addressed as part of the negotiated indirect cost rate agreement.

6. Object Class Categories, continued

Travel

Travel costs are those incurred by grantee agency personnel, and relate to expenses to and from HazMat planning or training activities. OMB A-87 states that “such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the governmental unit’s non-federally sponsored activities.”

When submitting for reimbursement, grantees should include the following:

- Lodging
- Per Diem
- Transportation (mileage, air, train, bus, or rental car)
- For non-local travel, grantees should provide additional information including:
 - The purpose for the trip
 - Programmatic need
 - Location

Per diem, lodging, and other transportation expenses must be consistent with the applicant’s standard policies. Registration fees for conferences and workshops should be placed under the “other” category.

Equipment

Equipment means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit that is purchased by the Grantee. Grantees may use their own definition of equipment provided that such definition would at least include all equipment defined above.

Equipment must be used for HMEP-related planning activities and includes:

- Purchased computer equipment used exclusively for approved activities; and
- Purchased or rented equipment dedicated to HMEP grant planning sessions, exercises, and training associated with a hazmat emergency preparedness.
- Personal property items with a unit cost of less than \$5,000 are considered “supplies” for purposes of the HMEP grant budget, even if the state or other applicant has a lower capitalization threshold.

Supplies

Supplies means all tangible personal property other than equipment as defined in the section above in this document. Costs are incurred by grantee agency personnel related to the purchase of supplies. Supply costs incurred must be for items solely dedicated to the HMEP grant. Requests should identify categories of supplies to be procured (e.g., office supplies, publications, manuals, paper, and pens) for use during proposed activities.

- Grantees should specifically identify sensitive items, such as laptops, global positioning system devices (GPS), thumb drives, and cameras. Associated costs per unit should be provided.

- Supplies purchased under sub-grants or contracts should not be included in this budget category.

6. Object Class Categories, continued

Contractual

Contractual means (except as used in the definitions for “grant” and “sub grant” in this section and except where qualified by “Federal”) a procurement contract under a grant or sub grant, and means a procurement subcontract under a contract.

Contractual includes any procurement of services from individual consultants or commercial firms. These costs are contractual agreements between the state and contractor(s) to complete work on behalf of the LEPC/sub-grantee. Activities may consist of the following:

- Developing, improving, and implementing emergency plans required under Title III;
- Performing hazard assessments and gap analysis to determine hazmat safety risks within a jurisdiction, state, or region;
- Improving interagency interoperability to better respond to and mitigate hazmat incidents;
- Enhancing emergency plans to include hazard analysis as well as response procedures for emergencies involving transportation of hazmat, including radioactive materials;
- Determining flow patterns of hazmat within a state; between a state and another state, territory, or Native American tribe; and the developing and maintaining a system to keep information current;
- Assessing the need for regional hazmat emergency response teams;
- Assessing local response capabilities;
- Performing emergency response drills and exercises associated with emergency preparedness plans;
- Supporting for technical staff related to planning efforts; and
- Performing additional activities approved by the Associate Administrator for Hazardous Materials Safety.

6. Object Class Categories, concluded

Other

Other includes sub-grants, rental space, and activities not covered under the “other” object class categories. Grantees should list each category or item in sufficient detail for PHMSA to determine the reasonableness of the cost relative to the activity to be undertaken.

Sub-grantee activities captured in “Other” may consist of:

- General preparedness planning (develop, improve, and implement transportation emergency plans under Title III);
- Hazmat commodity flow studies and hazard analysis;
- Regional response strategy selection;
- Hazmat drills and exercises to test state and county emergency response capabilities and identify gaps in training and planning;
- Hazmat tabletop exercises; and
- Hazmat communication exercises

Pipeline and Hazardous Materials Safety Administration

HMEP Working Group Participants:

California Emergency Management
Neverley Shoemake; neverley.shoemake@calema.ca.gov

Nevada State Emergency Response Commission (SERC), Nevada
Richard Brenner, NASTTPO Regional Representative; RIK@ClarkCountyNV.gov

Nebraska Emergency Management
Tonya Ngotel, NASTTPO President; tonya.ngotel@nebraska.gov

North Carolina Emergency Management
Matt Kimnetz; Kemnitz.matthew@ncdps.gov
Robert Mielish; Robert.mielish@ncdps.gov

Oregon State Fire Marshal's Office
Sue Otjen, NASTTPO Regional Representative; sue.otjen@state.or.us